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DWCNewsline

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Division of Workers' Compensation releases third report in its study of wage loss for permanently disabled workers

Public forums to review data will be held in Los Angeles and San Francisco

The Division of Workers' Compensation (DWC) has released the third portion of its analysis of wage loss for permanently disabled workers. The report details wage loss experienced by disabled workers in recent years, along with comparisons of permanent disability rating information, by part of body, under the 1997 and 2005 permanent disability rating schedules. The report highlights the importance of return-to-work in providing positive outcomes for injured workers and shows that permanent disability ratings are 29.2 percent lower under the 2005 schedule, as compared to the 1997 schedule.

For more information on the data and analysis, please visit the division's Web site at <http://www.dir.ca.gov/dwc/UncompensatedWageLossforInjuredWorkerswithPD/UncompensatedWageLossforInjuredWorkerswithPD.html>.

"We wanted to expedite a review of the 2005 rating schedule so we followed two tracks in this analysis," said DWC acting Administrative Director Carrie Nevans. "We used a sophisticated method to measure wage loss, which gives us additional empirical data we can combine with return-to-work rates and changes in ratings to determine whether changes to the schedule should be considered."

The DWC will conduct two public forums to present the findings and collaborate with interested parties on the development of recommendations that could be used to adjust the permanent disability rating schedule (PDRS). The forums will be held:

Monday, Jun. 11, 2007 – Los Angeles

1 p.m. - 4 p.m.

Ronald Reagan State Building, auditorium

300 South Spring Street, suite 1726

Los Angeles CA 90013

Wednesday, Jun. 13, 2007 – San Francisco
1 p.m. - 4 p.m.
Milton Marks Conference Center, auditorium
455 Golden Gate Avenue, lower level
San Francisco CA 94102

The regulations establishing the 2005 PDRS require the DWC to compile data for at least 18 months, analyze the data to determine the effects of the 2005 PDRS and revise the diminished future earning capacity adjustment, if necessary, based on the data. To properly evaluate the cumulative effects of the 2005 PDRS on wage loss, a comprehensive wage loss study using three years of post-injury wage data is needed. In order to more swiftly evaluate the effects of the 2005 schedule, DWC developed a research plan to analyze the PDRS and other factors impacting wage loss. This plan was laid out in three phases and included a study of [return-to-work rates](#), which was released in January, along with a [retrospective wage loss study](#), released in March. This report constitutes the second and third steps of DWC's second phase of research. The third phase is ongoing research and analysis to continuously update return-to-work and wage loss data.

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